



Canyon Fuel Company, LLC
Soldier Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(435) 637-6360 Fax: (435) 637-0108

0044

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DEC 04 2001

DIVISION OF
OIL, GAS AND MINING

December 3, 2001

Mr. Daron R. Haddock
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
Salt Lake City, UT 84114-5801

C/007/039
Dracovich

RE: Gilson Water Well, Canyon Fuel Company, LLC, Dugout Mine, C/007/039-01H

Dear Mr. Haddock:

Enclosed please find five copies of the submittal to address the deficiencies associated with the Technical Analysis dated October 16, 2001 for the Gilson Water Well. An additional copy of the submittal has been delivered to the Price Field Office. A summary of the deficiencies has been included with each of the copies. The summary addresses each deficiency and notes where the deficiency is addressed within the approved M&RP or within this submittal.

Please contact Vicky Miller at (435) 636-2869 or Chris Hansen at (435) 448-2669 if there are any question concerning this submittal.

Sincerely yours,

Vicky S. Miller

Cc: Chris Hansen
Dave Spillman
Steve Demczak

APPLICATION FOR PERMIT PROCESSING

Permit Change ☒ XNew Permit ☐Renewal ☐Transfer ☐Exploration ☐Bond Release ☐

Permit Number: ACT/007/039

Title of Proposal: Gilson Water Well, Canyon Fuel Company, LLC, Dugout Mine,
C/007/039-01H, Technical Analysis Deficiency Submittal

Mine: DUGOUT CANYON

Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement:

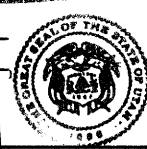
Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres Disturbed Area? <u>22.88</u> acres <input checked="" type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice/publication? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?) |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

X Attach 5 complete copies of the application and 1 copy will be sent to the Price Field Office

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Dionne M. Oman Notary Public 12/29/01
 Signed - Name - Position - Date

Subscribed and sworn to before me this 29 day of Nov, 2001My Commission Expires: 12-15-02
 State of Utah
 County of Canyon

DIONNE M. OMAN
 NOTARY PUBLIC • STATE OF UTAH
 891 NORTH 300 EAST
 PRICE, UTAH 84501
 COMM. EXP. 12-15-2002

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DIVISION OF
OIL, GAS AND MINING

ASSIGNED TRACKING NUMBER

Application for Permit Processing

Detailed Schedule of Changes to the MRP

Title of Application: Gilson Water Well,, Canyon Fuel Company, LLC, Dugout Mine,

C/007/039-01H, Technical Analysis Deficiency Submittal

Permit Number: ACT/007/039

Mine: DUGOUT CANYON

Permittee: CANYON FUEL CO., LLC

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 1-4, 3-1A, 5-2, 5-3(6), 5-5, 5-6(6), 7-1, 7-2, and 7-5
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Figures 7-9-1 and 7-9-2 to Appendix 7-9
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 1, Page 1-28
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 2, Pages 2-21 thru 2-43 and Table of Contents
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 3, Pages 48 and 49
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 5, Pages 15 and 16
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input checked="" type="checkbox"/> REMOVE	Chapter 5, Figures/Dwgs GE4B001 and B346 (Given new Figures Numbers and added to Appendix 7-9)
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7, Pages 7-4, 7-74, 7-75, 7-82 and 7-83
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 8, Page 8-1
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 5-6, Pages 1, 6, and 24
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-1, add letter from Division to Water Quality to existing information
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 2-8, replace only the text, the attachments previously submitted do not need to be replaced
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

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Summary of Deficiencies

Gilson Well Technical Analysis, October 2001

1) R645-301-244, 301-353, -301-354, -301-355, -301-356, the applicant needs to commit to following the vegetative guidelines set forth by the Division (refer to Section 356.100, page 3-52). Planting is to commence during the first favorable planting season (refer to Section 341.100, page 3-35). The applicant needs to commit to applying the standards of success in accordance with the approved post mining land use (refer to Sections 356.100 and 356.200, pages 3-52 and 3-53).

We believe the deficiencies listed above have been addressed in the currently approved M&RP, specific information as to the location of the commitment has been provided above. In addition please refer to Sections 353, 354, 355 and 356 of the approved M&RP for more information.

2) R645-301-322, 301-333, -301-342, -301-358, the applicant must address section 301-322 of the regulations (refer to Section 322, pages 3-10 thru 3-21). The current application does not include a wetland classification for the proposed areas to be affected or a reference to Appendix 3-3. The applicant must provide the amount of water consumed on an annual basis, as a result of the installation of the well and the relocation of the stream.

Point of Diversion for water right 91-5024 (A23420) has been transferred to the Gilson Well location, refer to Appendix 7-1 for the approved change application. According to the permit the water consumed from the well is to be reported to the State Engineers office annually. Since CFC is not aware of the regulations/privacy issues associated with this information, the Division may want to request the information from the State Engineer's office as it becomes available. No water consumption from the stream is associated with this point of diversion, refer to Appendix 7-1 for a copy of the stream channel alteration permit.

Fish studies and the existence of fish habitat (unusually high value) for the Dugout Canyon Mine area are discussed in Section 322.200, Page 3-11, Section 358, Page 3-55 and Appendix 3-1.

Habitats of Unusually High Value are addressed in the approved M&RP in Section 322.200, specifically beginning on page 3-15. This section contains several references to Appendix 3-3 (also see comment No. 5). To meet the requirements for the stream alteration permit, the area was examined by Mark Page, Regional Engineer (Division of Water Rights), no wetland classification was requested or required. A copy of the stream channel alteration permit was copied to Mike Schwinn (Corp of Engineers) for comments (see Appendix 7-1), no request for wetland classification was received from the Corp of Engineers.

3) R645-301-322, Plate 5-2 needs to be revised to include the proposed addition within the disturbed area .

Plate 5-2 has been revised and is included with this submittal.

4) R645-301-323, 301-501, -301-521, -301-542, -301-632, -301-731, the application must address these sections of the regulations.

Plates 5-5 and 5-6 (6) has been revised and are included with this submittal.

5) R645-301-330, 301-331, -301-332, the proposal need to include a commitment to implement the protective enhancement measures as described in Section 3.1.1 of the approved M&RP.

During permitting of the Dugout Canyon Mine in 1997 - 1998 we were required to address the current regulations which require plans to minimize disturbances and adverse impacts (Section 333), and commitments for protective measures (Section 333.300), please refer to these commitments in the approved M&RP. In addition, mitigation for disturbance is described in Section 322.200, pages 19 - 21.

The protective enhancement measures as described in Appendix 3-3, Section 3.1.1 in the "Revised Final Fish and Wildlife Plan for the Proposed Sage Point - Dugout Canyon Project Area" were written in 1981. The report is included in the appendix because of the historic information within the report. Much of the information and commitments referenced are for areas not included in the Dugout Canyon Mine permit area. For example, the closest hayfield to the mine site is approximately eight miles west and outside the permit area. Neither of the enhancement measures referring to hayfields can be done, therefore we are unable to comply with these protective enhancement measures and therefore cannot commit to implementing any of the measures as described in Appendix 3-3. We do not want to remove the report from the permit because of the historic information it contains, but will do so at the Division's request.

6) R645-301-333, 301-342, -301-358, the application also needs to include or provide reference to an interim seed mix to establish a shallow rooting cover of grasses and alfalfa. For those disturbed areas associated with the drill pad development and stream location. The application also need to be revised to include a reference Appendix 3-3.

Verbiage referring to an interim seed mix and establishment of shallow rooting cover has been added to Section 352. Refer to No. 5. concerning Appendix 3-3, Section 3.1.1 in the "Revised Final Fish and Wildlife Plan for the Proposed Sage Point - Dugout Canyon Project Area".

7) R645-301-341.200, Add the Gilson well to the riparian areas shown on Plate 3-1.

Plate 3-1A has been revised and included with this submittal.

8) R645-301-521.100, Update the surface facilities map to show the total disturbed area that will include the water well installation. Update Plate 7-5 with complete information as described above. Clarify page 7-4, first paragraph and first sentence as described above.

Plates 5-2, 5-3(6), 7-1, 7-2, and 7-5 have been revised and included with this submittal. Page 7-4 has been clarified.

9) R645-301-542.200, *A plan for backfilling, soil stabilization, compacting and grading with contour maps, or cross section that shows the anticipated final surface configuration of the well site.*

Plates 5-5 and 5-6(6) have been revised and included with this submittal. Refer to Section 542.200 for additional information.

10) R645-301-742, *Provide sediment control measures to be used during construction.*

Refer to Section 742.200 of this submittal.

11) R645-301-748 and 301-765, *Provide information on the casing and sealing of the well and the permanent casing and sealing of the well at reclamation.*

Refer to the commitments in Section 748 and 765 of the approved M&RP.